

FISCAL NOTE

HB 3115

March 9, 2000

SUMMARY OF BILL:

- Creates the Tennessee Privacy Protection Act of 2000.
- Requires any agency maintaining an information system that includes personal information shall:
 - Collect, maintain, use and disseminate only that personal information permitted or required by law to be so collected, maintained, used or disseminated, or necessary to accomplish a proper purpose of the agency.
 - Collect information to the greatest extent feasible from the data subject directly.
 - Establish categories for maintaining personal information to operate in conjunction with confidentiality requirements and access controls.
 - Maintain information in the system with accuracy, completeness, timeliness, and pertinence as necessary to assure fairness in determinations relating to a data subject.
 - Makes no dissemination to another system without (a) specifying requirements for security and usage including limitations on access thereto, and (b) receiving reasonable assurances that those requirements and limitations will be observed, provided this subdivision shall not apply to a dissemination made by an agency in another state, district or territory of the United States where the personal information is requested by the agency of such other state, district or territory in connection with the application of the data subject therein for a service, privilege or right under the laws thereof, and shall not apply to information transmitted to family advocacy representatives of the United States Armed Forces.
 - Maintain a list of all persons or organizations having regular access to personal information in the information system.
 - Maintain for a period of 3 years or until such time as the personal information is purged, whichever is shorter, a complete and accurate record, including identity and purpose, of every access to any personal information in a system, including the identity of any persons or organizations not having regular access authority but excluding access by the personnel of the agency wherein data is put to service for the purpose for which it is obtained.
 - Take affirmative action to establish rules of conduct and inform each person involved in the design, development, operation, or maintenance of the system, or the collection or use of any personal information contained therein, about all the requirements of this chapter, the rules and procedures, including penalties for noncompliance, of the agency designed to assure compliance with such requirements.

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- Establish appropriate safeguards to secure the system from any reasonably foreseeable threat to its security.
- Collect no personal information concerning the political or religious beliefs, affiliations, and activities of data subjects which is maintained, used or disseminated in or by any information system operated by any agency unless authorized explicitly by statute or ordinance.
- Provides the penalty for violation of the law shall be punishable by a civil penalty imposed by the court of not more than \$1,000 for each violation.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$1,000,000

Increase Local Govt. Expenditures* - Exceeds \$1,000,000

Estimate assumes an increase in state and local government expenditures resulting from MIS system enhancements that would be required to bring all departments in compliance with provisions of the bill.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director